Intact Financial Corporation (TSX: IFC)

IFC's Acquisition of AXA Canada:
Building a World-Class Canadian P&C Insurer

May 31, 2011

Forward Looking Statements and Disclaimer

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Forward Looking Statements and Disclaimer

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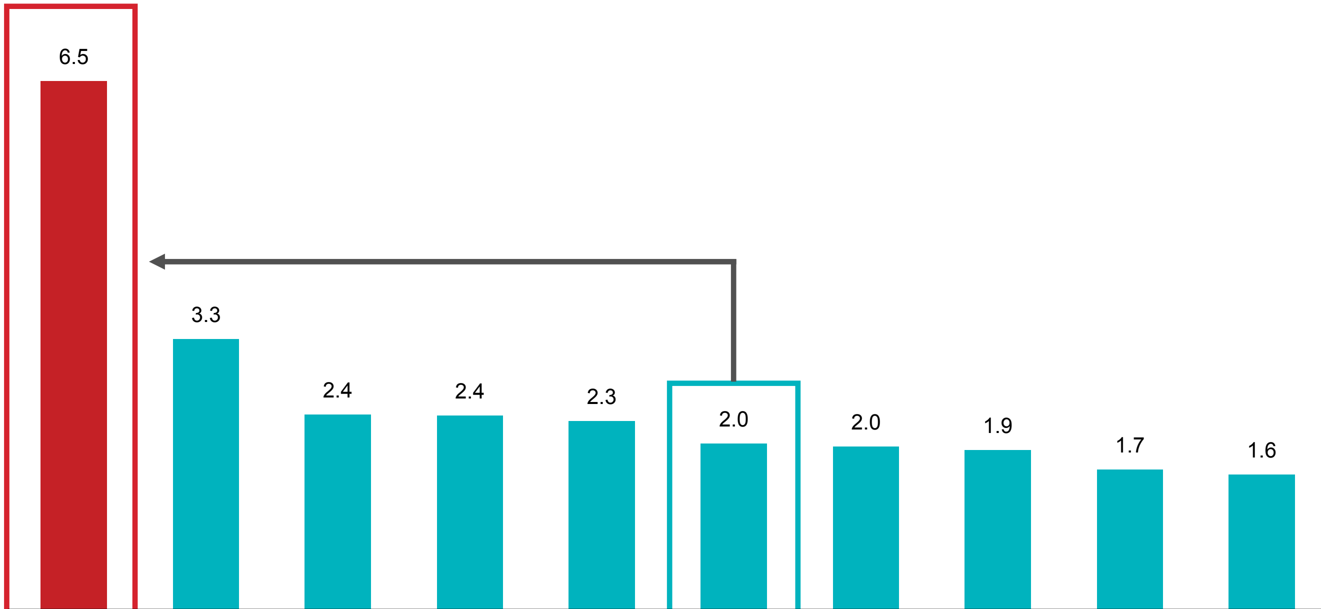
IFC's Acquisition of AXA Canada:
Building a World-Class Canadian P&C Insurer

Strong Strategic Fit	Financially Compelling
• Strengthens IFC's premiums by over 40% • Bolsters our risk selection and claims management capabilities • Capitalizes on a unique opportunity to combine two best-in-class operators • Accelerates IFC's growth profile with industry-leading underwriting performance • Bolsters proprietary distribution	• Management estimates IRR[1] of 20% • Acquisition is accretive to NOIPS[2,3] in 2012; annual accretion of 15% expected in the mid-term[3] • Operational synergies in excess of $100 million (after-tax) expected annually • Strong annual cash flows from operating earnings
Numerous Diversification Benefits	**Solid Financial Position Maintained**
• Strengthens commercial lines offering, presence and expertise • Expands geographic footprint • Enhances strength of multi-channel distribution • Greater stability of earnings • Increases bench strength of executive team	• Improves our ability to outperform the P&C insurance industry's ROE by at least 500 bps per year • Book value per share accretion estimated at 6% • Optimal deployment of our excess capital • Capital ratio remains strong with MCT of 200%

[1] Internal Rate of Return, based on equity returns.
[2] NOIPS = net operating income per share. A non-IFRS measure. Accretion based on consensus estimate of $4.78.
[3] Excluding non-recurring restructuring costs.

Leading Position…

Top 10 Canadian P&C Insurance Companies by 2010 Direct Premiums Written *($ billions)*



	PF Intact + AXA	Aviva	TD Assurance	RSA	Co-operators	AXA	Wawanesa	State Farm	Economical	Desjardins
Rank	1	2	3	4	5	6	7	8	9	10
Share	16.5%	8.4%	6.1%	6.0%	5.9%	5.1%	5.1%	5.0%	4.3%	4.2%

Segmentation and claims management capabilities enhanced by increased scale

Source: MSA Research for the 12 months ended December 31, 2010. Each insurers' market share listed above includes all subsidiary entities consolidated under the parent company. Data excludes Lloyd's, ICBC, SGI, SAF, MPI and Genworth. RSA includes GCAN.

…Leading Performance

Return on equity (2010)

Intact pro forma	14.9%
Top 20 adjusted*	3.2%
Outperformance	**11.7%**

*Excludes AXA

Combined ratio (2010)

Intact pro forma	94.8%
Top 20 adjusted*	105.0%
Outperformance	**10.2%**

*Excludes AXA

Expands our outperformance versus the Top 20 P&C insurance industry benchmark[1]

Source: MSA Research for the 12 months ended December 31, 2010. Data excludes Lloyd's and Genworth.
[1] Top 20 P&C insurance industry benchmark is made up of the top 20 Canadian P&C insurers excluding Intact. Metrics are measured on an equity size-weighted basis.

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A Financially Compelling Transaction

Purchase Price	**$2.6 billion cash consideration plus potential contingent consideration[1]**
Components	**P&C insurance | P&C Distribution | Life & Health insurance**
Purchase Metrics	**P/BV[2] = 1.8x | P/E[3] = 11.6x**
Transaction Economics	**Estimated IRR of 20%[4] | Accretive to NOIPS by 15% annually in the mid-term[5]**
Financing	**Excess Capital $500M | Net Equity Proceeds $800M | Acquisition Financing $1.3B**
Regulatory Capital Impact	**Targeting near-term minimum MCT of 200%**
Expected Closing Date	**Fall 2011**
Approvals	**Customary Regulatory Approvals**

[1] Potential for additional performance based contingent consideration to a maximum of $100 million over a five-year period.
[2] Price to book value. Based on consolidated book value as at December 31, 2010.
[3] Price to earnings. Based on consolidated earnings as at December 31, 2010.
[4] Internal rate of return. Based on equity returns.
[5] Excluding non-recurring restructuring costs.

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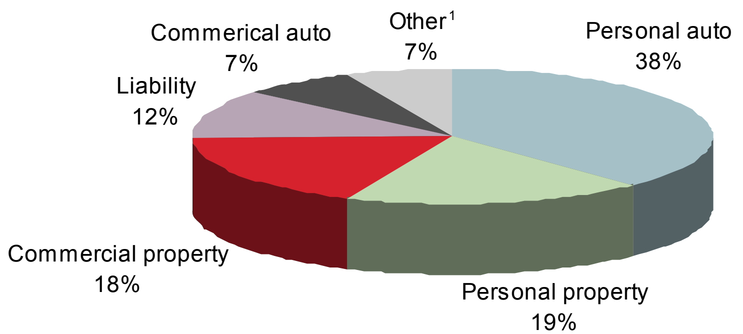
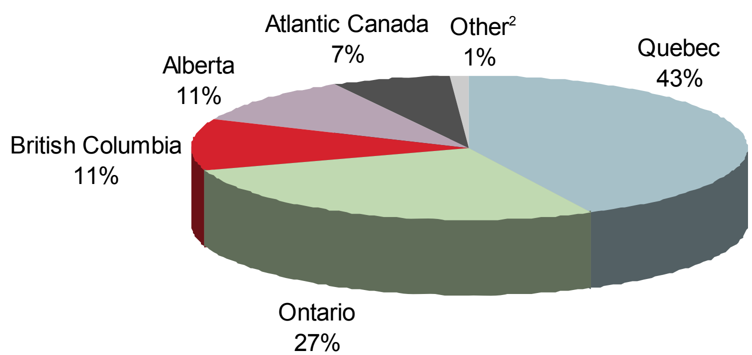
AXA Canada: Expanding our Expertise

- Offers a range of P&C and Life & Health insurance products through its relationships with 1,300 insurance brokers and 2,700 independent insurance advisors
- The sixth largest P&C insurer in Canada with a 5.1% share in 2010
- Strong presence in Quebec, Ontario and British Columbia
- Significant expertise in commercial lines

2010 P&C DPW by Class of Insurance



2010 P&C DPW by Geography



Total 2010 P&C Direct Premiums Written = $2.0 billion

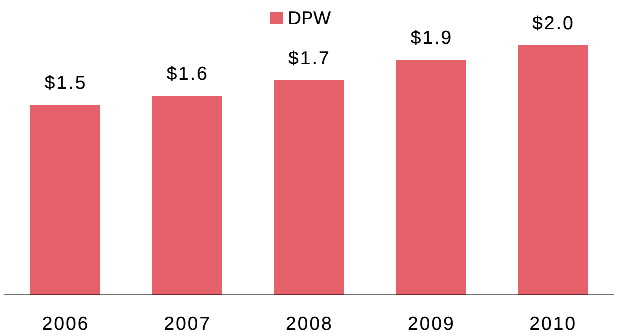
[1] Other (7%) includes Surety (3%), Marine (2%), Boiler (1%), Aircraft (0.3%), A&S (0.3%), and Fidelity (0.2%).
[2] Other (1%) includes the Prairies (1.0%) and the Territories (0.3%).
Source: MSA Research for the 12 months ended December 31, 2010; AXA Canada.

AXA Canada: Best-in-Class Performer

AXA Canada P&C Insurance Financial Highlights[1]

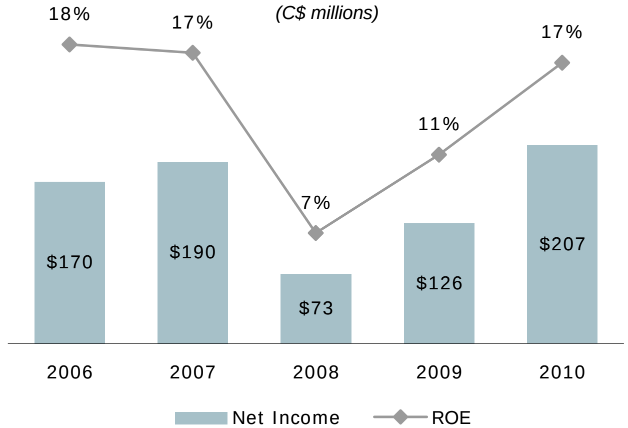
Direct Premiums Written

(C$ billions)

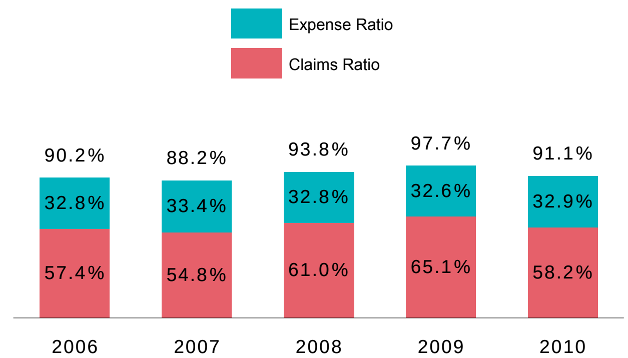


Net Income and ROE

(C$ millions)



Combined Ratio



Solid top-line growth profile: Best-in-class operator with consistent profitability

[1] Source: MSA Research for the years ended December 31.
Note: Presented numbers reflect P&C business only (excludes life operations).

IFC + AXA: A Winning Combination

- Greater earnings stability as a result of increased diversification:
  - Higher exposure to commercial lines accomplishes an important strategic objective
  - Less reliance on personal automobile insurance
  - Improves geographic footprint in underrepresented areas (Quebec, British Columbia)

Pro Forma Segmenation by Business Line

	IFC	AXA	Pro forma
Personal Auto	50%	38%	46%
Personal Property	24%	19%	22%
Commercial Auto	7%	7%	7%
Commercial P&C	19%	36%	25%
Total	100%	100%	100%

Pro Forma Segmentation by Geography

	IFC	AXA	Pro forma
Ontario	46%	27%	41%
Quebec	25%	43%	30%
Alberta	18%	11%	16%
British Columbia	5%	11%	7%
Atlantic Canada	4%	7%	5%
Other	2%	1%	1%
Total	100%	100%	100%

Source: MSA Research for the twelve months ended December 31, 2010; AXA Canada. As measured by Direct Premiums Written.

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A Synergistic and Accretive Acquisition

- The combined company is expected to generate operational synergies in excess of $100 million annually (after-tax)
- Synergies primarily related to operating and investment expenses:
  - Systems-related
  - External loss adjustment expenses
  - Operational efficiencies
  - Claims efficiencies
- Further potential synergies include actuarial and supply chain benefits

- Transaction is accretive to NOIPS in 2012[1]
- Expected annual accretion to operating earnings per share of 15% in the mid-term
- Book value per share accretion estimated at 6%
- Improves our ability to outperform the P&C insurance industry's ROE by at least 500 bps per year

[1] Accretion based on consensus estimate of $4.78, excluding non-recurring restructuring costs.

Achieving Our Optimal Capital Structure

Sources of Funding:

➢	Excess capital	$500 million	Capital above 200% MCT
➢	Net equity proceeds	$800 million	In the form of subscription receipts
➢	Acquisition financing	$1,300 million	Senior unsecured committed facility
		$2,600 million	

Replaceable by:

➢	Term loan	$300 million	To be repaid within 24-36 months
➢	Senior debt	$500 million	
➢	Preferred shares	$500 million	
		$1,300 million	

Debt to total capital expected to return to 20% within 24 months of closing from the strong cash flow generation of the combined business.

Building a World-Class Canadian P&C Insurer

Strong strategic fit: combining sophisticated underwriting and claims management, while enhancing our multi-channel distribution

- Increased scale advantage bolsters our risk selection and claims management capabilities
- Enhanced commercial lines mid-market offering, presence and expertise
- Expanded geographic footprint in underrepresented areas
- Improved ability to outperform the P&C insurance industry’s ROE by 500 bps per year

Unique opportunity to combine two best-in-class operators in a financially compelling manner

- Estimated internal rate of return of 20%
- Expected annual accretion to operating earnings per share of 15% in the mid-term
- Operational synergies in excess of $100 million (after-tax) expected annually

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Questions and Answers

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